



Research Paper

Farmers perception towards crop insurance scheme

■ PALLAVI D. KANGALE, A. N. DESHMUKH AND SONALI A. DESHMUKH

See end of the paper for authors' affiliations

Correspondence to :

A.N. DESHMUKH

Department of
Extension Education,
Shri Shivaji Agriculture
College, AMRAVATI (M.S.)
INDIA

Paper History :

Received : 22.06.2016;

Revised : 12.08.2016;

Accepted : 29.08.2016

ABSTRACT : The present study on farmers perception towards crop insurance scheme was conducted in the year 2015–16 in Amravati district. For this study 100 respondents were purposively selected from two tahsils of district with the help of random sampling method. Frequencies, mean, standard deviation, correlation of co-efficient analysis were employed for interpreting the results. Findings of relational analysis revealed that education, subsidiary occupation, extension contacts, social participation, benefits availed, crops covered in crop insurance were positively and significantly correlated with perception and age, annual income, farming experience, source of information were negatively but significantly correlated with perception except land holding and loan availed from bank which were non-significantly related with perception. Crop diversification, forward marketing, adjustment of investment, timeliness of the field operations were the important risk management strategies adopted by the farmers in view of loss occurred to crop failure.

KEY WORDS : Perception, Crop insurance, Risk management strategies

HOW TO CITE THIS PAPER : Kangale, Pallavi D., Deshmukh, A.N. and Deshmukh, Sonali A. (2016). Farmers perception towards crop insurance scheme. *Internat. Res. J. Agric. Eco. & Stat.*, 7 (2) : 248-250, DOI : 10.15740/HAS/IRJAES/7.2/248-250.

INTRODUCTION :

The crop insurance is an insurance arrangement aiming at mitigating the financial losses suffered by the farmers due to damage and destruction of their crops as a result of various production risk.

Agriculture is a risky prospect, wherever it is subject to vagaries of nature like flood, drought and cyclone. Agriculture contributes 13.4 per cent to the GDP and any disturbance in its production has a multiple effect on the economy of a country like India. since, economic growth and agricultural growth are inextricably linked to each other, managing risks in agriculture is a big challenge to the policy makers and the researchers. The risk aversion induces under investment in agriculture, leading

to inefficiency. Crop insurance helps in stabilization of farm production and income of the farming community. It helps in optimal allocation of resources in the production process. The Indian Government has been concerned about the growing risk in agriculture, which culminates in unfortunate phenomenon of farmers' suicides, as happened in Maharashtra. In the face of uncertainty and risk in agriculture, various schemes have been evolved time in countries to protect the farmer; these include guaranteed prices, subsidized credit, and crop insurance, which are of immediate concern in the short-run.

Crop insurance is recognized to be a basic instrument for maintaining stability in farm income, through promoting technology, encouraging investment, and increasing credit flow in the agricultural sector. The basic principle

underlying crop insurance is that the loss incurred by a few is shared among others in an area, engaged in a similar activity. Also, losses incurred in bad years are compensated from resources accumulated in good years.

The specific objectives have been undertaken as follows :

- To study the profile of farmers
- To study the perception of farmers towards crop insurance scheme
- To study the risk management strategies adopted by the farmers in view of loss occurred due to crop failure
- To study the relationship between selected characteristics of the farmers and their perception about crop insurance scheme.

MATERIALS AND METHODS :

Amravati district was purposively selected for the study. The study was conducted in Amravati and Chandur Bazar Tehsil of Amravati district. The farmers were interviewed with the help of structured interview schedule personally. From each tehsil about 50 respondents were selected and thus, total 100 respondents were selected for the research purpose. The interview schedule was constructed by formulating relevant questions in accordance with objectives of the study. The schedule included questions pertaining to age, education, land holding, annual income, farming experience, subsidiary

occupation, extension contact, social participation, source of information, benefits availed, crops covered, loan availed from bank as well as the perception.

The information from the respondent was collected by personal interview methods and their responses were considered for the purpose of present study. Data was collected. Mean, S.D. and co-efficient of correlation methods were used for analysis of the data.

RESULTS AND DATA ANALYSIS :

The findings of the study as well as relevant discussion have been summarized under the following heads:

Relation analysis :

In order to find out the relationship of the selected characteristics of respondents with their perception, co-efficient of correlations were worked out. The findings are presented in this part.

Relationship of selected characteristics of respondents with their perception :

The correlation of co-efficient of perception with personal, situational, socio-economic and communication characteristics of the respondents have been furnished in Table 1.

On critical examination in Table 1, it reveals that among the 12 independent variables age, education, annual income,

Table 1 : Co-efficient of correlation of characteristics of the respondents with their perception

Sr. No.	Variable	'r' value
1.	Age	- 0.2262*
2.	Education	0.2478*
3.	Land holding	- 0.1324 ^{NS}
4.	Annual income	- 0.2396*
5.	Farming experience	-0.2303*
6.	Subsidiary occupation	0.2693**
7.	Extension contact	0.2566**
8.	Social participation	0.2428*
9.	Source of information	- 0.2407*
10.	Benefits availed	0.2627**
11.	Crops covered in crop insurance	0.2921**
12.	Loan availed from bank	0.1726 ^{NS}

* and ** indicate significance of values at P=0.05 and 0.01 respectively

NS =Non-significant

farming experience, social participation, source of information were significantly correlated with perception at 0.05 per cent level of probability while subsidiary occupation, extension contact, benefits availed, crops covered were highly significant in relation with the perception about crop insurance at 0.01 per cent level of probability. The land holding and loan availed from bank were found to be in a non-significant relationship with the perception about crop insurance scheme. The findings are in line with finding of Goudappa *et al.* (2012); Kale and Kadam (2012) and Uvaneswaran and Moharapriya (2014).

Conclusion :

Study indicates that the majority of respondents were belonged to middle age group, majority of them completed college education, majority of the respondents had marginal land holding, annual income in between Rs. 50,001 to 1,00,000/-. It was revealed that maximum respondent had agriculture as their main occupation and allied enterprises as their subsidiary occupation. Further, it was found that maximum percentage of respondents had medium level of farming experience, social participation, source of information and medium level of extension contacts.

Findings revealed that , the respondents had the low level of crops covered crops covered in the in crop insurance scheme and loan availed from bank. It was found that maximum respondents had low level of benefits availed. It was revealed that majority of respondents were showing the medium level in perception about crop insurance scheme. These findings were similar to findings of Dhobale (2010); Tejankar (2011) and Pulliken (2001).

Findings of relational analysis revealed that education, subsidiary occupation, extension contacts, social participation, benefits availed, crops covered in

crop insurance were positively and significantly correlated with perception and age, annual income, farming experience, source of information were negatively but significantly correlated with perception except land holding and loan availed from bank which were non- significantly related with perception.

Authors' affiliations:

PALLAVI D. KANGALE, Department of Extension Education, Shri Shivaji Agriculture College, AMRAVATI (M.S.) INDIA

SONALI A. DESHMUKH, Shri Shivaji Agriculture College, AMRAVATI (M.S.) INDIA

LITERATURE CITED :

- Dhobale, S.L. (2010). Adoption behaviour of farmers about national crop insurance scheme. M.Sc. (Ag.) Thesis, Dr. Panjabrao Deshmukh Krishi Vidyapeeth, Akola (M.S.) INDIA.
- Goudappa, S. B., Reddy, B. S. and Chandrashekhar, S.M. (2012). Farmers perception and awareness about crop insurance in Karnataka, *Ind. Res. J. Extn. Edu.*, **2**(1): 218-222.
- Kale, J.G. and Kadam, R.P. (2012). Knowledge of farmers about national crop insurance scheme. *J. Agric. Res. Technol.*, **37**(2): 281-285.
- Pulliken, S. J. (2001). Knowledge and adoption of farmers toward national crop insurance scheme. M.Sc. (Ag.) Thesis, Dr. Panjabrao Deshmukh Krishi Vidyapeeth, Akola (M.S.) INDIA.
- Tejankar, V.D. (2011). Knowledge and attitude of farmers toward national crop insurance scheme. M.Sc. (Ag.) Thesis, Dr. Panjabrao Deshmukh Krishi Vidyapeeth, Akola (M.S.) INDIA.
- Uvaneswaran, S.M. and Moharapriya, T. (2014). Farmers perception and awareness about crop insurance in Tamil Nadu. *Internat. J. Mrkt. Res. Rev.*, **2** (3) : 18-22.

7th
Year
★★★★★ of Excellence ★★★★★